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RUEHGE/AMEMBASSY GEORGETOWN 0019
RUEHSB/AMEMBASSY HARARE 0019
RUEHKM/AMEMBASSY KAMPALA 0030
RUEHLGB/AMEMBASSY KIGALI 0043
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RUEHTO/AMEMBASSY MAPUTO 0025
RUEHPF/AMEMBASSY PHNOM PENH 3764
RUEHPU/AMEMBASSY PORT AU PRINCE 0026
RUEHSA/AMEMBASSY PRETORIA 0069
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RUEAUSA/DEPT OF HHS WASHINGTON DC
RUEKJCS/SECDEF WASHINGTON DC

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C O R R E C T E D C O P Y (AMEMBASSY BANGKOK ADDED TO ADDRESSES)

SENSITIVE
SIPDIS

STATE/OGAC: FROM AMBASSADOR MICHALAK FOR AMBASSADOR ERIC GOOSBY
STATE PASS TO OGAC MMALONEY-KITTS AND JHOLLOWAY
AMEMBASSIES PASS TO PEPFAR COORDINATORS, ESTH, AND HEALTH ATTACHES
HHS/OSSI/DSI PASS TO HHS/OGHA JKULIKOWSKI, MABDOO, ACUMMINGS, CMCCLEAN); NIH/FIC RGLASS; SAMHSA WCLARK, RLUBRAN; AND FDA LVALDEZ, BCOREY)
USAID FOR ANE CJENNINGS; AND GH GSTEELE, RCLAY
BANGKOK FOR USAID/RDM/A OCARDUNER, MSATIN
CDC FOR COGH SBLOUT; CCID MCOHEN; AND GAP DBIRX, RJSIMONDS, JTAPERO

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SUBJECT: PEPFAR VIETNAM, SUCCESSES AND CHALLENGES

REF: A. 2007 Hanoi 1082; B. Hanoi 278; C. 2008 Hanoi 406; D. 2008 Hanoi 370

¶1. (SBU) Summary: Warm congratulations on your appointment from me and the entire PEPFAR team here at Mission Vietnam. I wanted to personally congratulate you and spend a little time giving you my perspective on what I believe is a somewhat unique component of your PEPFAR community. Before you become embroiled in the African side of the issue, I hope you will take a few minutes to look at the Vietnam program to think a bit about some of the unique dimensions, both political and programmatic, that we face here. I hope to be able to meet you personally in the not too distant future.

In Vietnam, health diplomacy -- our work on HIV/AIDS, pandemic influenza, and dioxin remediation -- is fundamental to trust building and improved relations with our former foe. Our highest priorities are to

a) improve both the quality and coverage of the current PEPFAR supported programs;

b) improve development of and access to effective drug addiction prevention and treatment services given that the epidemic is driven by drug use in Vietnam;

c) better support generalized health systems strengthening critical to sustainability; and

d) expand USG assistance for tuberculosis programs.

Serious challenges remain, primarily: low health sector capacity and GVN allocation of resources based on geography rather than epidemiology; rigid governmental controls; insufficient donor coordination (and poor GVN coordination of the Global Fund process); and a Country Operating Plan (COP) process which has become so cumbersome that it undermines our ability to plan strategically or provide on-site technical assistance. To achieve our goals, OGAC needs to work in close collaboration with experienced field staff to drastically ease COP burden, reduce indicators to a limited number of required core elements, diminish reporting frequency, and allow field programs to establish a workable timetable for the partnership frameworks based on in-country circumstances.

The Epidemic and PEPFAR in Vietnam

¶2. (U) In Vietnam, we have the opportunity to implement and test a national prevention strategy. The HIV/AIDS epidemic here remains concentrated among injecting drug users (IDU), commercial sex workers, and men who have sex with men. UNAIDS estimates there are 302,000 persons living with AIDS (PLWA) in Vietnam. Continued stigma and discrimination make it difficult to provide services to these populations. PEPFAR is working closely with the GVN to find ways to provide essential HIV prevention services to the approximately 326,000 IDUs and 144,000 female sex workers. These figures include the approximately 60,000 persons in GVN drug rehabilitation (detention) centers, who suffer from very high HIV

prevalence (60 percent or higher). Our program uniquely focuses on the drivers of the epidemic, including the use of innovative IDU approaches, such as Medication-assisted Therapy (MAT); distinctive health systems strengthening activities, including improving public health management capacity, improving disease surveillance, providing technical assistance to health sector reform, and improving overall program quality through guidelines, protocols, and program management; behavioral change communications; and capacity building for civil society and community organizations, of particular importance in this single party Communist state with virtually no independent community-based organizations.

¶3. (SBU) There are an estimated 243,000 PLWA in Vietnam, 28 percent (about 67,000 people) of whom need ART. As of March, 2009, the USG supports the GVN's provision of antiretroviral therapy (ART) to about 28,000 persons. Of these, over 19,000 receive direct, comprehensive support through PEPFAR implementing partners. Combined, donors currently cover about 42 percent of PLWA in need of ART, leaving an estimated 39,000 persons still in need of ART. We are working closely with the government in developing or operating PEPFAR-sponsored activities in 32 of Vietnam's 63 provinces.

MAT and Prevention Strategies

¶4. (SBU) Drug abuse and addiction prevention and treatment provide a real opportunity to help Vietnam stop the spread of HIV/AIDS into the general population. One fundamental risk reduction strategy is the expansion of MAT using methadone. PEPFAR continues to urge the GVN to change its current "rehabilitation" program based on incarceration, rapid detoxification and vocational training to one using internationally recognized drug rehabilitation and prevention strategies. After several years of substantial effort, the USG, in collaboration with UNAIDS, the World Health Organization (WHO), and other partners, developed and implemented the MAT approach for treatment of heroin addicts. PEPFAR currently supports the GVN's pilot MAT program at five sites in two provinces. We hope to expand to additional provinces during FY 2009. Challenges for MAT expansion include: the requirement that clients pass through the GVN

system of compulsory drug rehabilitation centers prior to accessing MAT services; GVN concerns about negative public reaction to the program; very poor staff training, and GVN unwillingness to expand the program without a full assessment of the pilot and methadone procurement procedures.

¶5. (SBU) In addition to MAT, we continue to provide and strengthen peer outreach programs to address high risk behaviors, including communications campaigns for IDUs and condom access for commercial sex workers and men who have sex with men. We coordinate closely with other donors particularly where we face competing reporting requirements or where USG restrictions on needle and syringe funding require close cooperation with other donors to provide a comprehensive set of services.

Health Systems Strengthening and Sustainability

¶6. (SBU) Fundamental problems in Vietnam's health system stem from

vertically-aligned health services (for example, AIDS, tuberculosis, maternal and child health, and reproductive health all have separate operating units and do not collaborate effectively); highly centralized government control; insufficient donor coordination; and the GVN's allocation of resources based on equity and geography rather than epidemiology. PEPFAR is working with GVN to develop a cadre of highly skilled clinicians; however, these skill sets are not considered to be highly desirable due to continuing stigma of HIV/AIDS, low public sector pay, and lack of opportunities for advancement. To ensure long term sustainability of both Vietnam's health system and HIV/AIDS programs, we must work to improve Vietnam's legal and regulatory environment, local public health management systems, and linkages between the public sector and grassroots organizations. Increasing human capacity (particularly for clinicians and public health managers) is absolutely essential. One immediate and straightforward direction is to expand areas such as tuberculosis, a substantial public health problem in Vietnam. PEPFAR efforts in these areas will leverage our successes with HIV/AIDS-specific policies to strengthen general public health capacity that will benefit PLWA as well as the general populace.

¶7. (SBU) In 2006, the National Assembly passed a National HIV/AIDS Law which explicitly allowed for harm reduction programs and paved the way for MAT. We are working now to assist GVN implementation efforts (including drafting of necessary regulations). Amendments to the Law on Drug Prevention and Control in 2008 do not appear to reflect substantial donor input and contain unhelpful provisions including requirements to report drug use, which undermine peer education programs. Additionally, the law continues to require two-year terms in rehabilitation centers followed by two years of community monitoring with the potential to return to the rehabilitation center (without due process) for a total period of four years. We continue to urge the GVN to move away from the Drug Law's focus on coercive treatment towards voluntary or drug court mandated services.

Civil Society

¶8. (U) A sustainable response to HIV/AIDS requires the broad participation of Vietnamese citizens. We are encouraging this through strengthening civil society and increasing GVN acceptance of a greater role for local non-governmental and private sector organizations. Faith-based organizations with an interest in providing HIV/AIDS-care and support services have faced particular challenges receiving permission to organize and implement activities.

Securing the Future of the DOD PEPFAR Program

¶9. (SBU) PEPFAR's work with the Ministry of Defense (MOD) is key as MOD covers health care for about 10 percent of the total population. Work with MOD also helps address war legacy issues which continue to serve as a brake on the overall bilateral relationship. Since the inception of our program, the DOD component of the program has

faced a number of difficulties (primarily related to internal DOD organizational complexities) which resulted in the "red lighting" of all DOD-related plans for the 2009 COP. To address these problems,

DOD determined that the program will no longer be managed from the Center of Excellence in Hawaii. Instead, the in-country Defense Attache has realigned the management of the DOD PEPFAR component to work more closely with the PEPFAR team and hired a well respected in-country Program Manager. The DATT also instituted new local procurement and accounting procedures to ensure proper oversight of DOD funds and programs. DOD is partnering with USAID to develop prevention materials for the Vietnam People's Army and teaming with CDC on laboratory training and laboratory quality assurance. The DOD component to the PEPFAR team is currently evaluating proposals from local NGOs it will use to build indigenous health care capacity (both in the military and civilian sectors). I hope that these actions are sufficient for OGAC to lift the restriction now so that we can move forward with this important PEPFAR element.

Coordination in Vietnam

¶10. (SBU) Coordinating with the GVN and other in-country donors and organizations has been challenging, particularly with efforts funded by the Global Fund. While coordination has improved at the programmatic level, we still face serious challenges at the Country Coordinating Mechanism (CCM) level, where basic issues of Secretariat function and governance are causes for continued concern and monitoring (Ref A). Despite some recent progress (Ref B), the international community needs to be more organized and assertive to overcome GVN tendencies to avoid collaborative planning. On the positive side, the GVN now allows PEPFAR to report national ART numbers, which include those of the GF activities and has permitted PEPFAR-funded technical assistance and second line drugs at GF sites.

How OGAC Can Help

¶11. (U) We have an excellent relationship with your dedicated OGAC staff. To improve our collaboration, we hope you will consider: 1) reducing the Washington-driven burden of planning (Ref A and C); 2) promoting capacity-building in the broader health sector beyond HIV-specific activities (Ref C and D); 3) re-evaluating the legal restrictions on needle exchange to prevent the creation of separate cadres of case workers indoctrinated in different approaches to prevention; 4) eliminating caps on budgetary expenditures and allowing country/field based programs to set ceilings for budgetary line-items; and 5) enhancing donor coordination and budgeting at a global level to optimize resource allocation and staffing (Ref A).

¶12. (SBU) While we understand the need for strategic planning and strict oversight of a program this large, the burden of the annual COP unduly stresses our resources and compromises program efficiency and quality by focusing months of staff time each year on COP drafting, which has become an end to itself, instead of a means to improve program delivery. Compounded by the number of timelines and indicators, many of which do not align with national programs and or relate to local conditions, the COP creates a major burden on partners, the GVN, and PEPFAR. Frankly, from a practical perspective, our team needs to spend less time struggling to jam the proverbial square target peg into the round OGAC indicator hole, and

more time providing in-country support in their areas of substantive expertise. A substantial reduction in the number of required indicators, with more flexibility in data reporting would result in higher quality data for PEPFAR. OGAC should consider ways to increase field input -- perhaps by formalizing the existing Field Contact group, which has improved communication and reprogramming procedures, and resulted in more feasible deadlines. Biannual budgeting and annual reporting, for example, instead of the current annual budget and semi-annual reporting, would free hundreds of

thousands of staff hours annually to concentrate on program quality, service delivery, cost effectiveness, efficiency and financial accountability.

¶13. (SBU) Although we believe strongly in the utility of a Partnership Framework (PF) with the GVN to make the fight against HIV/AIDS a truly cross-sectoral effort with input beyond the Vietnam AIDS Administration Control (Ministry of Health), like many OGAC staff and PEPFAR teams worldwide, we believe the requirement to develop a framework within the short time frame established by OGAC significantly increases the burden on my already stretched PEPFAR team and will likely raise tensions with Vietnamese officials. A meaningful framework will take more time, particularly in Vietnam where virtually all decisions are run through the Prime Minister's office and where consensus building is critical even at very senior levels.

¶14. (U) Again, the team and I look forward to working with you to strengthen our program here and PEPFAR worldwide. I hope we will be able soon to welcome you to Vietnam and show you the impact the PEPFAR program has on the health of some of Vietnam's most vulnerable citizens and its population at large and on the development of our bilateral relationship.

PALMER